

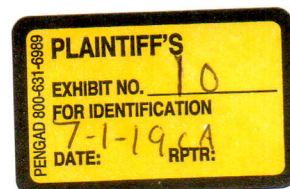
TESTIMONY FROM NYCHA CHAIR & CEO SHOLA OLATOYE
"EXAMINING THE NEED FOR CONTRACTING ACCOUNTABILITY AND TRANSPARENCY
AT NYCHA IN LIGHT OF LEAKING ROOFS AT KING TOWERS"
COMMITTEE ON PUBLIC HOUSING WITH THE COMMITTEE ON CONTRACTS
THURSDAY, OCTOBER 1, 2015 – 10:00 AM
COUNCIL CHAMBERS, CITY HALL, NEW YORK, NY

Chairs Ritchie Torres and Helen Rosenthal, members of the Public Housing and Contracts Committees, and other distinguished members of the City Council: good morning. I am Shola Olatoye, the New York City Housing Authority's Chair and CEO. Joining me today are David Farber, Executive Vice President for Legal Affairs and General Counsel; Brian Clarke, Senior Vice President for Operations; Farhan Syed, Vice President for Construction; and other members of our executive and Capital Projects leadership team.

Thank you for the opportunity to explain the circumstances that led to the unfortunate incident at the King Towers development in Harlem. To put that incident into context, I will discuss the scope and successes of NYCHA's overall capital program, which will deliver about \$4.2 billion of infrastructure improvements, major modernization, and Hurricane Sandy-related repair and resiliency work over the next five years to benefit more than 250,000 residents. I will also provide an overview of our contracting and procurement processes and our efforts to increase transparency as part of our long-term strategic plan, *NextGeneration NYCHA*.

The Incident at King Towers

On August 12, the *Daily News* published a story on a situation at King Towers that should never have happened. Building #10 at that development was undergoing roof repairs while its roof drains were clogged; as a result, residents living below experienced major leaks into their apartments. While repairs can sometimes, unfortunately, become disruptive, they should never diminish the quality of life of residents as they did in the case of King Towers. It was preventable and it was unfortunate.





First 100 Days: NextGen Fact Sheet



REPAIRS & REBUILD	
FIX-IT-FORWARD	<p><i>A major initiative to overhaul maintenance and repair operations with common-sense fixes to key parts of NYCHA's repair process to decrease response times and increase customer satisfaction.</i></p> <ul style="list-style-type: none"> • <u>Optimal Property Management Operating Model (OPMOM)</u> – local property managers at 18 OPMOM test developments have been empowered to build their own budgets and determine staffing needs, which intends to reduce time to deliver basic maintenance to seven days. In the past four months, basic repair times are trending downward, with an average service level time of 5.5 days. • <u>Real-time repairs</u> – Since launching in June, NYCHA has inspected more than 2,400 apartments across 41 developments and performed over 4,000 simple repairs, such as minor plumbing issues, smoke detectors, and window guards at the time of inspection. • <u>Real-Time Dispatching</u> – In its first three months in deployment at Woodside, communication with residents on project repairs from start to finish have significantly improved. Work orders closed because scheduled appointments were missed, have been cut in half since the start of the year—down to 8% in September. • <u>One-Call initiative</u> – rolled out to 5 pilot sites in August, this initiative enables residents and property managers to schedule all necessary components of a repair project with 'one call,' instead of requiring multiple calls to schedule subsequent work every time a part of the repair project is complete. To date, 350 units have had an average of 70 multi-skilled trade jobs scheduled, reflecting over 700 skilled trades work orders. This pilot intends to improve customer service and shorten the time to complete repairs by avoiding unnecessary delays between open and closed work tickets related to a project.
ROOF REPLACEMENT PROGRAM	<p><i>\$300 million City investment over the next 3 years to replace some of the worst roofs in NYCHA's portfolio in order to reduce mold, repair leaks, and restore apartments impacted by aging roof infrastructure.</i></p> <ul style="list-style-type: none"> • Queensbridge Houses (North & South) construction to replace 26 roofs began in August. • Parkside Houses construction to replace 14 roofs began in September.
SANDY RECOVERY	<p><i>Nearly \$3 billion in FEMA funding to repair and protect over 200 buildings that sustained significant damage from Superstorm Sandy to achieve more resilient developments.</i></p> <ul style="list-style-type: none"> • In June, NYCHA signed an agreement (Memorandum of Understanding) with the City of New York's Department of Investigations for independent auditors to monitor contracts for Sandy-related repairs and restoration. • In July, FEMA, New York State, and NYCHA reached final agreements for 33 Letters of Undertaking (LOUs) for nearly \$3 billion of repair and restoration work at more than 200 buildings.
RAD (RENTAL ASSISTANCE DEMONSTRATION PROGRAM)	<p><i>A federally-supported program to transition Ocean Bay Apartments – Bayside in the Far Rockaway, from traditional public housing funds to a special project-based Section 8 voucher program in order to finance critical building repairs and achieve operating revenue.</i></p> <ul style="list-style-type: none"> • NYCHA has held monthly meetings with residents and community groups over the past four months to provide additional information on the RAD program, answer questions and collect feedback. • In August, NYCHA released a "Request For Proposals" (RFP) for a physical building needs assessment, energy audit and utility consumption analysis of Ocean Bay Apartments-Bayside and Oceanside in order to estimate the total capital needs of the development for participating in the RAD program.